

# News Release



***Controller of the State of California - Kathleen Connell***

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**FOR IMMEDIATE RELEASE**

## ***CONTROLLER'S REPORT EXAMINES EFFECT OF HIGH TECH SKILLS DEFICIT ON ECONOMY***

*Study Shows Growing Gap Between High School and College Standards;  
Suggests New Strategies to Meet Exploding Demand for High Tech Skills*

SAN DIEGO, August 4, 1998 -- Today, State Controller Kathleen Connell released a report by her office that examines California's need for high tech workers to drive its growing economy and the discouraging shortage of home-grown talent that the state is producing. California's new economy produced a change in jobs and a shift in the skill requirements for new industries. The study raises concern that California's high tech industries will not be able to maintain the momentum that has driven the state's economic recovery without a local pool of qualified, high tech-educated workers.

"We are in a race to provide qualified workers to California's new industries. There is a growing disparity between the skills students are mastering in high school and the skills they will need to obtain stable, well-paying technical jobs in the future," said Connell. "Unfortunately, there is a trend in California in which many young people are either not going on to college, or are receiving an education that is no longer applicable in today's economic environment."

These findings were released as part of the *Controller's Quarterly*, an update report on the fiscal health of California. The study found that fewer California students are enrolling in four-year colleges and universities -- and while college admission standards have risen -- the percentage of high school seniors that meet the new requirements has declined. This, coupled with the fact that only 20% of U.S. jobs fall into the "unskilled" category (down from 60% in the 1950s), indicates that a high school diploma alone no longer provides entry into most jobs.

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"Most experts agree that in today's economy, a high school diploma is no longer a sufficient indicator of a skill base that will lead to moderate or high wage jobs," said Connell. "In California's new economy, which is anchored primarily by emerging high tech industries, tomorrow's workforce must possess knowledge and abilities beyond the basic academic skills in which many high school and even college students are currently deficient."

Connell noted that California's community colleges in the past have been an untapped resource for providing much of the training that will be needed to "help bridge the exploding demand for workers with specialized and higher-level skills." The Controller's report continued that the vast majority of high school students (35.4%) will go on to attend a community college as compared to a UC (7.8%) or CSU (9.9%) campus.

"California's community colleges and private industries have come together as partners to help students get ahead of the technology curve that has rendered many skills learned yesterday -- obsolete tomorrow. San Diego City College will serve as a model center that is meeting the challenge to provide technical and problem solving skills that are central to biotechnology-based industries," said Connell.

SDCC is part of the Industry-Community College Partnership program Connell created last year that strategically teamed private-sector companies with community colleges so that each could work together to create new programs based on new skills and build a more direct bridge from classrooms to industry. Connell announced she was expanding her program to take further advantage of the infrastructure already in place at local colleges by creating the new alliances.

"The state has fallen behind in producing qualified graduates for the demanding and financially rewarding jobs that the economy has been producing," Connell added. "For the first time in history, California is facing the prospect that retiring workers over the next ten years will be better educated than the young people entering to workforce to replace them. Industry wants assurances that there will be an adequate, skilled workforce to meet their fast-changing needs. Our high tech industries will be looking to these younger workers to provide services which will continue the momentum that has driven California's economic recovery. Industry has done its part. We must make sure that our labor force is equal to the task."

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*Call 310/342-5678 for the full report.*